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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 001192

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TAGS: [MARR](#) [MASS](#) [MCAP](#) [PREL](#) [PINS](#) [KISL](#) [RP](#)

SUBJECT: FORMER MILITARY CHIEF TO HEAD PEACE PROCESS

REF: A. MANILA 1177 (CALL ON NEW ARMED FORCES CHIEF OF STAFF)

[1B.](#) MANILA 1144 (NEW ARMED FORCES CHIEF SHUNS POLITICS)

[1C.](#) MANILA 1091 (CONSTITUTIONAL PROCESS REMAINS KEY ISSUE FOR MILF PEACE TALKS)

Classified By: Ambassador Kristie A. Kenney, Reasons 1.4 (b) and (d)

[11.](#) (C) SUMMARY: Following weeks of widespread speculation about a cabinet reshuffle, President Gloria Arroyo named former Armed Forces chief General Hermogenes Esperon as her new presidential advisor on the peace process, replacing Jesus Dureza, who was named press secretary. Esperon, who retired from the military May 12 after serving two years as head of the Armed Forces, brings to the position considerable operational military experience in Mindanao. Moreover, given his close relationship with President Arroyo, his excellent working relationship with key - conservative - Cabinet members, and the respect he commands with military top brass, he brings a unique combination of access, influence and background that could help the government reach a peace agreement. While leftist politicians and NGOs have raised sharp concerns regarding Esperon's previous record in the military, the Moro Islamic Liberation Front expressed a willingness to work with any government officials. Our relationships and access to Esperon and Dureza are excellent.

END SUMMARY.

[12.](#) (SBU) President Arroyo announced May 18 that former Chief of the Armed Forces (AFP) General Hermogenes Esperon would be the new Presidential Adviser on the Peace Process, effective June 16. The announcement came less than a week after General Esperon retired from the military after an extended tour of duty that ended when he reached the mandatory retirement age of 56. As Peace Process Advisor, Esperon will direct the government's peace negotiations with the Moro Islamic Liberation Front and the Communist New People's Army, as well as implementation of the 1996 agreement with the Moro National Liberation Front (MNLF). Esperon reportedly embraced his new role as peacemaker, stating that his new job was "an incentive and the inspiration." He said the appointment filled a desire to continue to work in the Arroyo administration in the areas of peace, security, and development.

SMALL-SCALE CABINET RESHUFFLE

[13.](#) (SBU) Since late April, President Arroyo had hinted that there would be changes in her Administration, generating speculation about which Secretaries' jobs were on the chopping block. In the end, the cabinet reshuffle was relatively minor, with General Esperon replacing former Peace Adviser Jesus Dureza, who was named Presidential

Spokesperson, a post vacated by spokesman Ignacio Bunye, who will join the Monetary Board of the Central Bank. The government's former chairman for negotiations with the communist insurgent National Democratic Front, Silvestre Bello, was named secretary to the Cabinet, replacing Ricardo Saludo, who now heads the Civil Service Commission. With the Cabinet revamp completed, other sub-cabinet level appointments are expected to follow.

EXTENSIVE MINDANAO EXPERIENCE

¶4. (SBU) General Esperon's military service in Mindanao has been extensive, having served there in various capacities throughout his 38-year army career. As a second lieutenant in 1974, he served as an infantry platoon leader in Lamitan, Basilan, followed by a two-year stint as Strike Force Commander in Sulu, Basilan, and Zamboanga in 1975 and 1976. He returned to Mindanao almost two decades later, commanding an infantry battalion in Augusan del Norte Province in northern Mindanao as a lieutenant colonel in 1992. Because of that experience, he was handpicked in 2001 to command an infantry brigade in Cotabato and led several operations against Moro Islamic Liberation Front camps in the Liguasan Marsh area. He has also had significant experience dealing with terrorist groups and in 2001 was responsible for recovering hostages taken by the Abu Sayyaf Group during the Dos Palmas incident. Finally, as head of the Armed Forces of the Philippines, he was directly responsible for military operations in Mindanao, and for the restraint exercised by

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the Philippine military following the beheading of several marines last July by insurgent groups. The AFP's renewed emphasis on civil military operations -- humanitarian and engineering projects -- is largely due to Esperon's leadership.

APPOINTMENT ELICITED STRONG REACTION FROM LEFT

¶5. (C) Esperon's appointment drew strong criticism from the "legal left" and other Esperon opponents. Bayan Muna party list Congressional Representative Satur Ocampo saw Esperon's appointment as a manifestation of the government's "lack of sincerity" in its peace efforts with the left. Ocampo pointed out Esperon's hardline condition for a three-year ceasefire before peace negotiations with the Communist Party of the Philippines - National Democratic Front could resume, a condition that is unacceptable to the communists. Citing a surge in political killings and enforced disappearances during Esperon's watch, Bayan Muna secretary general Renato Reyes called Esperon an "antithesis to the peace process" and a "liability" to the peace effort. Senator Jamby Madrigal, chair of the Senate committee on peace, unification and reconciliation, said the appointment was "sheer political accommodation" that makes a mockery of all attempts to forge genuine peace in the country. Fugitive Captain Nicanor Faeldon, a junior officer facing rebellion charges for two failed coup attempts, has accused President Arroyo of "making guard dogs out of military generals." Esperon strongly opposed military adventurism and defended the Arroyo administration during the political crisis in 2005 and 2006.

MILF: "PERSONALITIES ARE SECONDARY"

¶6. (C) Taking a significantly more accepting tone regarding Esperon's appointment, Moro Islamic Liberation Front Peace Panel Chairman Mohagher Iqbal said "personalities are secondary to government policy." However, while careful not to specifically criticize the appointment, Iqbal nonetheless took the opportunity to express concerns about current

government policy, adding that it "appears focused on counter-insurgency and not peaceful negotiated settlement." In addition, in a clear reference to Esperon, Iqbal noted the "growing militarization of government bureaucracy, which now encompasses the peace process."

COMMENT

¶7. (C) While few could have predicted Esperon's appointment and some have harshly criticized it, Esperon has the political profile and loyalty to President Arroyo to sell a peace deal, both within the government and to a skeptical Manila elite. Having spent years fighting in Mindanao, Esperon may bring credibility to the cause of peace. In a country where personal relationships and loyalty are paramount, Esperon has close ties to President Arroyo and the respect of members of the Cabinet, including hardline members skeptical of peace negotiations. Esperon could bring along top- and mid-level military leaders and, unlike his predecessor, he has no business interests in Mindanao that could undermine his appearance of objectivity. Still, jumpstarting the stalled peace process could turn out to be the toughest assignment of Esperon's career, as the government tries to balance constitutional concerns against insurgent demands for greater autonomy and a larger share of resources and revenues. We know Esperon very well and will discuss his new assignment with him after he returns from vacation abroad.

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